

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON EDUCATION

Call to Order: By **CHAIRMAN JOHN WITT**, on February 2, 2001 at 8.00 A.M., in Room 102 Capitol.

ROLL CALL

Members Present:

Rep. John Witt, Chairman (R)
Sen. Ken Miller, Vice Chairman (R)
Rep. Rosalie (Rosie) Buzzas (D)
Sen. Greg Jergeson (D)
Sen. Royal Johnson (R)
Rep. Art Peterson (R)

Members Excused: None.

Members Absent: None.

Staff Present: Mark Bruno, OBPP
Amy Carlson, OBPP
Pam Joehler, Legislative Branch
Cayenna Johnson, Committee Secretary

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: Montana Agriculture Experiment Station, Extension Service, Montana Fire Service Training School
Executive Action: None.

HEARING ON MONTANA AGRICULTURE EXPERIMENT STATION

{Tape : 1; Side : A; Approx. Time Counter : 0}

Dr. Geoff Gamble, President Montana State University (MSU), introduced representatives from the MSU Agriculture Experiment Station, Extension Service and Fire Service Training School.

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Ms. Sharron Quisenberry, Dean, MSU College of Agriculture, and Director Agriculture Experiment Station, gave an overview of Montana Agriculture Experiment Station (MAES) in the following PowerPoint presentation:

EXHIBIT(jeh27a01)

Public Testimony

The following testimony was presented to the committee:

EXHIBIT(jeh27a02)

{Tape : 1; Side : A; Approx. Time Counter : 24.2}

Mr. Bill Kennedy, Yellowstone County Commissioner, stated if the committee is truly interested in economic development they will support the MAES.

Mr. Kent Wassons, testified that rural Montana is aging and that Montana needs assistance retaining agriculture. He presented the following information entitled, "Increase income to Wassons family farm and ranch because of Research at MSU":

EXHIBIT(jeh27a03)

{Tape : 1; Side : A; Approx. Time Counter : 31.7}

Mr. Kelly Brestor raises sugar beets near Havre. He testified that the returns to growers have been low for the last 30 years and that research is important to keep growers above water.

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Mr. Mark Peterson, spoke in favor of MAES because of the concern and desire to help Montana farmers.

Ms. Gail Sharp, Kalispell Agriculture Experiment Station, testified that each summer each research station employs from 4-10 undergraduates.

Ms. Lorna Karn, Montana Farm Bureau, testified in support of the MAES budget requests.

Mr. Craig Steinbeizer asked that the committee support MAES to keep the growing industry viable and to retain young people in rural areas.

Mr. Dave Broberg from Cutbank, Montana, testified to the committee that had he read dryland irrigation research by the MAES his farm would have saved \$100,000.

Mr. Mike Greytack, farmer from the Havre area, recommended the committee support MAES to research the economic opportunities in processing plants giving young people an opportunity to stay home on farms and ranches.

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Mr. Curtis Hurshburger from Denton, Montana, and a third generation wheat farmer, urged the support of MAES and to spend money on research not maintaining buildings. He also stated that farmers have better equipment than MAES. He said that non-biased information is important.

Mr. Wayne Willmine from the Miles City area, explained the costs of agriculture production continue to rise and that the survival of producers is dependent upon becoming more efficient.

Mr. Art Laurendorf, Farmers Union, testified to the committee that **Dean Quisenberry** has a "no frills" budget.

Ms. Pam Langley, Montana Agriculture Business Association, explained Montana farmers rely heavily on the research stations.

Ms. Wes Gibbs testified he sees a return on the state investment in MAES.

Mr. Bob Brastrop thanked the committee for their previous support of MAES. He added that 3 of the top 4 wheat varieties in Montana were developed by MAES and urges the support of MAES.

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Ms. Tarril Balzer testified that unbiased research data is very important for Montana farmers.

Mr. John Stoner, Montana Grain Growers Association, testified in support of MAES to in turn support economic development.

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Mr. John Schneederger testified in support of horticulture. He stated research in mint, medicinal herbs, organic teas and products have a large market. The Montana climate is ideal for horticulture and that MAES can help bring about the renaissance of family farming.

Mr. Hugo Turic testified that the role of the university is protecting the environment and research can cut down on unneeded use of fertilizer and pesticides.

Mr. Rodney Jabbes testified to the great personnel and great work of MAES.

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Mr. Dave Dooley, Provost, Montana State University, urged the committee's support of the Biobased Institute as it will be the first of its kind in the region and will contribute to agriculture development in Montana.

Mr. Richard Roehm, Board of Regents, testified in support of funding the Biobased Research Institute.

Ms. Rita Sand, Academic Advisor, MSU, urged the support of agriculture and the Montana way of life.

HEARING ON EXTENSION SERVICE

{Tape : 2; Side : A; Approx. Time Counter : 6.4}

Mr. Dave Bryant, Vice Provost and Director of Extension, gave an overview of MUS Extension Service in the following PowerPoint presentation:

EXHIBIT(jeh27a04)

Vice Provost Bryant also gave the committee the following handouts:

EXHIBIT(jeh27a05) entitled, "Making a Difference in Montana: Reports from the MSU Extension County Offices,"

EXHIBIT(jeh27a06) entitled, "Extension 2003 Biennium Budget Request,"

EXHIBIT(jeh27a07) entitled, "Extension Today" and

EXHIBIT(jeh27a08) an information phone number directory.

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Public Testimony

Mr. Patrick Heffan testified in support of the Extension Service (ES) as they have been an invaluable resource to those in the involved in the timber industry.

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Mr. Darren Arkenbright, Montana Farmer Grain Growers Association, testified that ES provides invaluable resources and tools for producers for hedging.

Ms. Mary McKenna, U of M School of Education, stated that through the Extension Service higher education can collaborate with K-12 students.

Mr. Lloyd Waland, from Deer Lodge explained that the Extension Service provides community development in small towns providing jobs and resources. It teaches leadership skills. He is a believer in extension services. He said the benefits can be seen in his community.

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Mr. Patrick McNulty explained the Extension Service helps with the "college of hard knocks" and that he and his neighbors use the service extensively. It is a very important investment for all of us.

Mr. Bill Kennedy, Yellowstone County Commissioner, testified that the Extension Service is a good partnership between county, state and the Montana University System.

Mr. Tony Zinny testified that he is a "victim" of the Montana Extension Service success story and urges the support of the funding request from ES.

Mr. Mike Greytack, farmer from Harden, testified that agriculture in Montana has changed dramatically in the last 100 years, from railroads to cell phones. He stated the ES helps Montana farmers keep up the pace.

Mr. Mark Peterson, farmer from the Havre area, testified that ES is an important link between producers and research.

Mr. Dave Dugan, Stevensville, testified he participated 10 years in the 4-H program and the Extension Service employees changed his life by telling him he could do something better. He added

that through ES he has served in excess of 5000 hours of community service and is going to pursue a service career.

Ms. Lorna Karn, Montana Farm Bureau, explained the Montana Farm Bureau was created by the Extension Service in 1919 and has recently created the "I Care A Ton" Program delivering hay to devastated farmers during the fires and drought. She urges the support of ES.

Ms. Diana Adamson, testified that ES supports Montana's number one industry. She asked the committee to "ask not what they can take away, but what they can add" as this is for all of Montana.

Mr. John Bloomquist, Montana Stock Growers Association, testified that MSU Extension Service is an example where invested dollars work.

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Mr. Chuck Egan from Stillwater County stated he worked as an Extension Agent for 33 years. He spoke in support of MUS which is the toolbox for the ES.

Rep. Monica Lindeen, House District 7, spoke in favor of the ES and in favor of giving Montana's agricultural community every opportunity available.

HEARING ON FIRE SERVICE TRAINING SCHOOL

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Mr. Butch Weedon, Director Fire Service Training School (FSTS), thanked the committee for funding an additional Fire Trainer in the last session. He explained that not only does FSTS help save forests and lives, they also help save money on fire insurance. He explained that in Clyde Park the mayor hired FSTS to train the volunteer fire department. With the new knowledge in fire prevention, the town's rating went from "unprotected" to "grade 6" and drastically reduced the amount of fire insurance business and homeowners had to pay.

The following information was provided for the committee regarding FSTS entitled, "MSU Fire Services Training School" and "Fire Services Training Advisory Council".

EXHIBIT (jeh27a09) and **EXHIBIT** (jeh27a10)

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Public Testimony

Mr. Bill Perrin, Deputy Chair, FSTS, testified on behalf of the FSTS Advisory Board. He explained that in 1984 the Advisory Board requested that six field trainers be funded; three were funded. He is now requesting the additional three field trainers to reach the original level requested of six. The request is for \$100,000 in FY02 and \$200,000 in FY03 for a total of three trainers in the next biennium.

Mr. Jay Verdi, Vice President Volunteer Fire Fighters, testified in support of the additional funding of three additional fire trainers. He stated there are 10,000 volunteer firefighters who need training to do their job.

Mr. Art Withelm, Helena Firefighters, requested support of additional trainers as they are able to come to rural places to train volunteer firefighters.

Mr. Scott Walder, Fire Chief, Frenchtown Fire District, testified to persuade the committee to fund the additional fire trainers. He stated their skills have improved with the training from FSTS and have prevented injuries. The FSTS serves career firefighters as well as volunteers. He gave the committee the following handout concerning money saved in insurance costs:

EXHIBIT(jeh27a11)

Mr. Dave Mason, Fire Chief of Baxendale, and President, Lewis & Clark Rural Fire Council, testified that FSTS trains volunteer fire departments who have very small budgets and could not afford to send their fire fighters to other locations for training. FSTS helps with training and networking.

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Mr. Tom Kuntz, Fire Chief, Red Lodge, testified in support of additional fire trainers. He said that volunteer firefighters that train the same, can work the same and can improve fire protection.

Ms. Lorna Karn, Montana Farm Bureau, urged the support of three additional fire trainers.

Mr. Art Laurendorf, Montana Farmers Union, testified that the time FSTS personnel put in is great and urges the support of the committee.

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Questions from the Committee:

SEN. MILLER commented to MAES and ES that if they do not receive their full request, it is not because the committee does not believe in their work. He continued right now is a lag time between savings and tax breaks and more revenue will be coming to the state in the future.

Dean Quisenberry reminded the committee that MAES is requesting funding authority.

Mr. Jake Cummins commented that he would not presume to have the wisdom of the legislature but the under investment in agriculture shows in lagging facilities and tools. He stated if students perceive MSU as a school of lesser quality, they go out of state to find a good school in agriculture. He added research money is now being used to pay for upkeep.

{Tape : 3; Side : B; Approx. Time Counter : 3}

SEN. JERGESON asked **Mr. Wassons** if he feels the agriculture community is willing to invest their own money to contribute to research. **Mr. Wassons** stated it would be hard to speak for the entire industry but stated he does know some people who will support research. **Mr. Wassons** in certain projects there would be a great deal of support, but that otherwise it would seem like double-taxation or double-fees. An example of a supported project would be contributing private dollars to build a processing plant.

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SEN. JOHNSON explained that he appreciates the honest sharing of budget numbers. He asked what type of increased expense there would have been to do their own research. **Mr. Wassons** responded he did conduct some of his own research and the extra expense was more in the cattle than in the grains. **SEN. JERGESON** asked about private donations of land and funds. **Mr. Mark Peterson** commented this year he donated 50 acres of his own land for research as well as equipment and services and they do spend their own dollars to provide research.

REP. PETERSEN complimented **Mr. Weedon** on the training the Fire Service Training School did this past summer. He asked about the training of the trainers and how easily trainers are secured. **Mr. Weedon** stated it is difficult to secure them at the salaries currently offered, but they do manage to find them.

{Tape : 3; Side : B; Approx. Time Counter : 12}

CHAIRMAN WITT specifically addressed the issue of accountability and trust with **President Gamble**. He stated he looked forward to working with **President Gamble** in laying that foundation of trust to build a long lasting relationship to survive in Montana and prosper in agriculture and extension. **President Gamble** responded that in his prefatory comments in his opening presentation he previewed his job as a leader for MSU is absolutely to be accountable. He and his staff need to demonstrate to the State of Montana they are good stewards of the public's resources and they are effective in achieving their mission. He has begun to put a formal system into place to demonstrate accountability.

CHAIRMAN WITT asked **Dean Quisenberry** her views on accountability and trust. **Dean Quisenberry** stated she, too, believed it was necessary.

CHAIRMAN WITT asked about a rumor circulating that MAES is being charged double with costs called "recharged fees". He wants to make every effort to make sure dollars appropriated stay where they belong, and if the dollars do not go where they are intended, he would like an explanation. **Dean Quisenberry** stated there are recharges on campus for space use ranging from \$680,000 in 2001 to an expected \$785,000 in 2003. She is not aware of where those dollars are used in the system. Both the Extension Service and the Agricultural Research Programs are charged those fees. **Dean Quisenberry** stated the amount for recharge fees has more than doubled since 1985 and those dollars could have supplied much needed equipment and prevented the loss of 46 FTE's.

President Gamble further explained recharge is one of a number of elements that go into building a budget within the organization. He would present a detailed memo about recharge costs specific to MAES. He added in his experience recharge fees are a normal university method of paying centralized services. **CHAIRMAN WITT** asked the committee to meet with **President Gamble** to understand recharge fees and determine where the dollars charged are used. **Mr. Craig Roloff** explained that recharge fees are very similar to what the State Department of Administration does to spread centralized services across the state agencies. It is expected the University will distribute costs of centralized state services to all elements of the University, not the education program only. Each large entity on campus is charged a fair share of overhead costs so as not to use education dollars for the entire overhead expenses such as utilities, janitorial, and payroll.

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SEN. JERGESON asked **Ms. Joehler** to explain the function of the Department of Administration, how it is funded, and how it is reflected in other budgets of state government. **Ms. Joehler** stated the Department of Administrations provides such centralized business functions to other state agencies such as insurance coverage, information services, payroll processing, and SABHRS (the state accounting system).

CHAIRMAN WITT asked what the impact might be in regards to recharge fees if the MAES became part of the Department of Agriculture. **President Gamble** responded space would be necessary for the program no matter what department it might be under.

{Tape : 4; Side : A; Approx. Time Counter : 5}

ADJOURNMENT

Adjournment: 11.45 A.M.

REP. JOHN WITT, Chairman

CAYENNA JOHNSON, Secretary

JW/CJ

EXHIBIT (jeh27aad)